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September 3, 2025

By ECF

Hon. John G. Koeltl
United States District Judge
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street
New York, New York 10007-1312

Re: *City of Almaty, Kazakhstan, et al., v. Mukhtar Ablyazov, et al.*, 15-cv-5345 (JGK)(KHP)

Dear Judge Koeltl:

Solomon Cramer & Summit LLP represents Ilyas Khrapunov.

We write in opposition to Plaintiffs' motion for approval of attorneys' fees (ECF 1821) in connection with their motion for contempt sanctions. The fees requested (amounting to more than half of the underlying judgment) are excessive and a significant portion of the billed time was unnecessary and unsuccessful.

The Court Has Wide Discretion in Determining Reasonable Fees

As Plaintiffs acknowledge, a district court has "considerable discretion" in awarding attorneys' fees. The party seeking fees bears the burden of demonstrating that the requested amount is reasonable. The standard for a reasonable fee is what a paying client would be willing to pay to litigate the case effectively. Here, the fees requested are excessive and do not meet this standard.

Plaintiffs' Demands Are Over the Top and Punitive

After the evidentiary hearing before Magistrate Judge Parker on the motion for contempt, Plaintiffs submitted a brief requesting punitive sanctions, including a per diem fine of \$1,000-\$5,000 and the civil confinement of Mr. Khrapunov if he did not pay the judgment within 120 days (ECF 1806). The Court ultimately denied these severe requests, instead imposing a coercive sanction of a \$1,000 fine only if Mr. Khrapunov failed to submit the next quarterly update by September 30, 2025 (ECF 1820).

Failing on the punitive sanction and confinement front, Plaintiffs now seek punitive attorneys' fees amounting to over \$120,000 (more than half the judgment amount).

The Motion and Associated Fees Could Have Been Avoided

Plaintiffs' fees are inflated with time spent on unnecessary and ultimately unsuccessful legal work. First, as we have stated repeatedly, the entire motion for contempt could have been avoided with a letter or simply a phone call.

Second, Plaintiffs' efforts to compel counsel to produce documents and contact information for Mr. Khrapunov's mother and her financial advisors were largely denied. Magistrate Judge Parker found this request "overly broad" and denied all discovery beyond what counsel had already agreed to produce. (ECF 1810 at 9). The time and fees spent on this unsuccessful motion should not be compensated.

Third, Plaintiffs' own filings and the court's final order indicate that the main issue leading up to the August 6, 2025 *de novo* hearing before the Court was the nature of the \$1,000 fine. To able counsel's credit, he acknowledged at the hearing that the sanction had to be remedial and that a fine was impermissible. But leading up to the hearing, Plaintiffs' counsel knew that Khrapunov did not object to the Report and Recommendation (ECF 1812 and 1819) and had confirmed that he was not disputing the factual findings as confirmed in my August 4, 2025 letter: "Mr. Khrapunov will not contest the Certified Facts" (ECF 1817). Yet, they persisted in trying to relitigate factual issues (ECF 1818), including demanding "a second cross-examination of Khrapunov" (ECF 1822 at 3).¹ Counsel's preparations for the *de novo* hearing and stubborn effort to expand the scope of the hearing were entirely unnecessary. The result was additional fees (for both sides), which could have been avoided.²

Plaintiffs had no higher purpose for bringing this contempt proceeding. BTA is controlled by an authoritarian government that looks to create PR events against pro-democracy dissidents whenever possible. True to form, the Kazakh government's mouthpiece, KazTAG, recently published a story about the Court's latest ruling: "US court finds Ilyas Khrapunov guilty in lawsuit filed by Almaty and BTA Bank" (available at <https://kaztag.kz/en/news/us-court-finds-ilyas-khrapunov-guilty-in-lawsuit-filed-by-almaty-and-bta-bank>, accessed 8/28/25). No doubt this is why Plaintiffs preferred to start with a hyperaggressive contempt motion (seeking a massive daily fine and jail client) rather than trying to encourage voluntary compliance in the first instance.

For the foregoing reasons, we respectfully request that the Court grant a substantial reduction in Plaintiffs' requested fees.

¹ The facts were never in issue. Khrapunov's failure to file the reports was established by the Judgment and on the Court's docket. The only issue was whether the violation amounted to contempt. Khrapunov argued that the violation was unintentional, that his economic situation had not changed, and that he had substantially complied by providing testimony. Your humble author believes, then and now, that Mr. Khrapunov was not acting with contempt and the Court could have found for him as a matter of discretion even if the technical elements were satisfied. That was the only point of resistance going into the *de novo* hearing.

² Mr. Wenner's summary (ECF 1823-1) shows that even at counsel's reduced rates the fees sought by Plaintiffs just for the *de novo* hearing was over \$27,000 – Wow!

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Andrew T. Solomon".

Andrew T. Solomon

Enclosure (1)

TIME ENTRIES: July 11, 2025 - August 6, 2025					
TIME KEEPER	DATE	WORK PERFORMED	TIME	RATE (\$)	TOTAL (\$)
Matthew Schwartz	7/16/2025	Draft and finalize response to court; Conference with C. Wenner	0.4	\$1,180.00	\$472.00
Matthew Schwartz	7/17/2025	regarding hearing strategy and exhibits	0.8	\$1,180.00	\$944.00
Matthew Schwartz	7/30/2025	Prepare for contempt hearing against IK; analyze and select exhibits for use in cross-examination of IK	3.2	\$1,180.00	\$3,776.00
Matthew Schwartz	8/4/2025	Revise response to court order re IK contempt hearing; research re contempt hearing; analyze IK opposition; analyze further submission from IK; review transcript of prior contempt hearing; prepare for contempt hearing	2.3	\$1,180.00	\$2,714.00
Matthew Schwartz	8/5/2025	Conf w/ C Wenner & P Skinner re hearing; prepare for hearing; attention to court order; research re contempt fines	1.4	\$1,180.00	\$1,652.00
Peter Skinner	7/14/2025	Analyze order re de novo hearing on contempt motion	0.2	\$1,150.00	\$230.00
Peter Skinner	8/3/2025	Analyze correspondence and order re de novo hearing	0.2	\$1,150.00	\$230.00
Peter Skinner	8/4/2025	Analyze contempt filings	0.4	\$1,150.00	\$460.00
Peter Skinner	8/5/2025	Prepare for contempt hearing	1	\$1,150.00	\$1,150.00
Peter Skinner	8/6/2025	Prepare for contempt hearing	1.8	\$1,150.00	\$2,070.00
Peter Skinner	8/6/2025	Conduct contempt hearing	1.8	\$1,150.00	\$2,070.00
Craig Wenner	7/16/2025	Corresp. w/ Khrapunov counsel re contempt hearing, draft corresp. to Court re same	0.3	\$840.00	\$252.00
Craig Wenner	7/17/2025	Preparing for contempt hearing	0.3	\$840.00	\$252.00

TIME ENTRIES: July 11, 2025 - August 6, 2025					
TIME KEEPER	DATE	WORK PERFORMED	TIME	RATE (\$)	TOTAL (\$)
Craig Wenner	7/29/2025	Preparing for I. Khrapunov contempt hearing	2.2	\$840.00	\$1,848.00
Craig Wenner	7/30/2025	Preparing for Khrapunov contempt hearing, including preparing exhibits and serving on opposing counsel	1.6	\$840.00	\$1,344.00
Craig Wenner	8/1/2025	Analyze Khrapunov letter to court requesting conference	0.8	\$840.00	\$672.00
Craig Wenner	8/4/2025	Research re and drafting letter to court re contempt hearing order	2.5	\$840.00	\$2,100.00
Craig Wenner	8/5/2025	Drafting letter to Court re Khrapunov contempt hearing	1	\$840.00	\$840.00
Sophie Roytblat	7/11/2025	Attention to court order re Khrapunov sanctions hearing and correspondence with O. Hill re same	0.3	\$375.00	\$112.50
Sophie Roytblat	8/4/2025	Correspondence with P. Skinner, C. Wenner, O. Hill and S. Lissy re preparation for evidentiary hearing re motion for contempt against Ilyas Khrapunov.	0.8	\$375.00	\$300.00
Sophie Roytblat	8/4/2025	Planned and prepared for evidentiary hearing re motion for contempt against Ilyas Khrapunov.	4.1	\$375.00	\$1,537.50
Sophie Roytblat	8/5/2025	Planned and prepared for evidentiary hearing re motion for contempt against Ilyas Khrapunov.	3.4	\$375.00	\$1,275.00
Sophie Roytblat	8/5/2025	Call with C. Wenner re preparation for evidentiary hearing re motion for contempt against Ilyas Khrapunov.	0.1	\$375.00	\$37.50

TIME ENTRIES: July 11, 2025 - August 6, 2025					
TIME KEEPER	DATE	WORK PERFORMED	TIME	RATE (\$)	TOTAL (\$)
Sophie Roytblat	8/5/2025	Call with P. Skinner re preparation for evidentiary hearing re motion for contempt against Ilyas Khrapunov.	0.1	\$375.00	\$37.50
Sophie Roytblat	8/6/2025	Planned, prepared for and participated in evidentiary hearing re motion for contempt against Ilyas Khrapunov.	2.5	\$375.00	\$937.50
					\$27,313.50